GOVERNMENT OF INDIA
TOURISM
LOK SABHA

UNSTARRED QUESTION NO:2090
ANSWERED ON:03.12.2001
DEMERGE OF HOTELS PROPERTIES
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Will the Minister of TOURISM be pleased to state:

(a) whether the Indian Tourism Development Corporation (ITDC) propose to demerge nine of its hotels properties;

(b) if so, the details thereof; and

(c) the time by which it is likely to be demerged?

Answer

MINISTER OF TOURISM AND CULTURE (SHRI JAGMOHAN)

(a), (b) and (c): The process of Disinvestment in India Tourism DevelopmentCorporation (ITDC) is being dealt by the Department of Disinvestment. The Departmenthas informed that disinvestment in ITDC has been taken up following the acceptance ofthe recommendations of the Disinvestment Commission by the Government.The Government`s disinvestment plan in respect of the hotel properties/businesses of ITDC is as under:-

Four hotel properties, viz., Hotel Ashok Delhi, Hotel Samrat Delhi, Hotel AshokBangalore and Lalitha Mahal Palace Hotel, Mysore would be demerged into a separate company with the existing shareholding pattern as that of ITDC and given on long-termlease-cum-management contract basis. It is envisaged that each of these properties are to be given separately to bidders.

According to Department of Disinvestment the remaining 22 hotel propertiesincluding 6 hotels located at Delhi would be demerged into separate companies having shadow shareholding pattern as that of ITDC for the limited purpose of disinvestment of100% Government equity. Each of these properties would be transferred to the respective demerged companies after a buyer for the particular property is selected through the disinvestment process. It is envisaged that all the properties proposed for 100% disinvestment would also be sold individually.